

Appendix I

Description of Housing Programs

This section provides a brief description of the federal, state, local governmental and private resources that are available to the City of Hayward to address housing needs. The second portion of this appendix presents policies, strategies and programs the City of Hayward will implement to address the community's housing needs.

A. HOUSING RESOURCES:

1. *Federal*

- **Community Development Block Grant (CDBG):** The City of Hayward receives an annual allocation of U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) funds. The CDBG program allows the City to use federal funds to address specific local housing and community development needs. Until FY 2003, on average, the City of Hayward received an entitlement grant of \$1,750,000 and had between \$500,000 and \$800,000 of program income generated by deferred loans for housing rehabilitation and construction. Over the past ten years, the average annual percentage of program funds spent on acquiring land and constructing or rehabilitating affordable housing has been 74%. The affordable housing includes new construction and rehabilitation of apartments, owner and renter occupied single family attached and detached homes, and mobile homes. When fair housing, landlord-tenant, and rental assistance programs are added, as well as supportive services for very low income Hayward residents, the average annual percentage of program funds expended for housing and neighborhood services was 82%. Recently, HUD increased the City's entitlement grant to \$2,130,000.
- **HOME Investment Partnerships Program (HOME):** The City of Hayward receives funding from the HOME Investment Partnership through its participation in the Alameda County HOME Consortium. HOME funds can be used to acquire, rehabilitate, finance and construct affordable housing. On average, the City of Hayward receives about \$450,000 each year. That allocation is "banked" with the Consortium until enough funds have been collected to acquire land and construct affordable housing.
- **Affordable Housing Program of the Federal Home Loan Bank Board (AHP):** The AHP provides gap financing as a subsidy to projects that provide affordable rental or ownership housing for a minimum of 15 years. These grants are competitive and a federally-chartered bank or savings and loan must be the grant applicant.
- **HUD Section 8 Rental Assistance Funds:** Section 8 is a federally funded, locally administered rental assistance program for low income families, senior citizens, and the disabled. The Alameda County Housing Authority administers the HUD Section 8 rental subsidy program for most Alameda County jurisdictions including the City of Hayward. The Housing Authority manages an allocation of approximately 1,600 vouchers for people living in Hayward.

- **HUD Section 202/811 Program Funds:** Funds are available on a competitive basis through the HUD Section 202 program for new construction of rental housing serving seniors and through the Section 811 program for housing for disabled persons.
- **Housing Opportunities for Persons with AIDS:** HUD makes funding available through the Housing Opportunities for Persons with AIDS (HOPWA) program for a variety of housing and supportive services activities for persons living with HIV and AIDS. The Alameda County Housing and Community Development (HCD) department administers the HOPWA program for Alameda County, under contract from the City of Oakland, which receives the HOPWA entitlement from HUD. HOPWA funded activities serve all Alameda County jurisdictions.
- **Supportive Housing Program (SHP):** This HUD program implements the McKinney Act and is designed to promote the development of supportive housing and services for homeless persons. SHP funds can be used for acquisition, rehabilitation, new construction, operating costs and supportive services.

2. *State*

- **California Department of Housing and Community Development:** The mission of HCD is to provide leadership, policies and programs to expand and preserve safe and affordable housing opportunities and promote strong communities for all Californians. HCD manages a variety of programs including:
 - **CalHome** - This program enables low and very-low income households to become or remain homeowners by providing grants to local public agencies and nonprofit developers to assist individual households through deferred-payment loans and forgivable loans to assist development projects involving multiple ownership units, including single-family subdivisions. Note: CalHome does not loan directly to individuals.
 - **Multifamily Housing Program** – This program assists with new construction, rehabilitation and preservation of permanent and transitional rental housing for lower income households by providing low-interest, deferred-payment loans. MHP funds will be provided for post-construction permanent financing only. Eligible costs include the cost of child care, after-school care and social service facilities integrally linked to the assisted housing units; real property acquisition; refinancing to retain affordable rents; necessary onsite and offsite improvements; reasonable fees and consulting costs; and capitalized reserves. Eligible funding recipients include: local public entities, for-profit and nonprofit corporations, limited equity housing cooperatives, individuals, Indian reservations and rancherias, and limited partnerships in which an eligible applicant or an affiliate of an applicant is a general partner. Applicants or their principals must have successfully developed at least one affordable housing project.
- **California Housing Finance Agency:** The California Housing Finance Agency (CHFA) provides various types of loans for the development and preservation of affordable housing.

CHFA also provides loan assistance to eligible homebuyers. The Housing Enabled by Local Partnerships (HELP) program provides affordable housing opportunities through program partnerships with local government entities consistent with local housing priorities.

- **Mortgage Revenue Bonds:** The City of Hayward may apply to the California Debt Limit Allocation Committee (CDLAC) for an allocation of mortgage bond authority to provide financing to developers of qualified rental developments.
- **Low Income Housing Tax Credits:** Affordable housing developers can apply to the State for an allocation of tax credits to finance low-income rental housing developments. The tax credits are syndicated in order to raise funds to develop affordable housing. The City supports and reviews applications for Tax Credits for the California State Tax Credit Allocation Committee.

3. *Local*

- **Low and Moderate-Income Housing Fund (Low/Mod Fund):** The City of Hayward Redevelopment Agency is authorized to use tax-increment financing to fund redevelopment projects in specific target areas. California State redevelopment law mandates that 20% of the tax-increment revenue generated by these projects must be set-aside to fund affordable housing. Until FY 2003-2004, increases in tax revenue in redevelopment project areas were anticipated to generate an annual average of approximately \$500,000 in tax-increment funds for affordable housing. Due to expansions of the Redevelopment Area, the new annual amount of tax increment funds is approximately \$950,000. These funds can be used for the acquisition, construction, and rehabilitation of all types of housing serving very low, low, and moderate-income households. Hayward has used these funds as gap financing to create affordable rental housing for very low income households and for the first time homebuyer program. Prior to FY 1998, all funds expended from the Low/Mod Fund were in support of very low income housing. Below is a table showing the amount and expected uses of RDA funds over the planning period.

Table F-1: Revenues and Expenditures for the Low/Mod Fund 1999-2006

	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005	2005/2006
Total Revenues*	683,030	817,142	1,109,862	1,021,114	974,366	1,000,720	1,027,864
Program Operations	102,110	136,834	170,140	180,000	165,000	170,000	175,000
1 st Time Homebuyers Down Payment Assistance	169,090	236,691	78,944	150,000	200,000	200,000	200,000
New Construction							
Moderate Income Housing	737,773	460,271	353,913	470,000			
Low Income Housing							
Very Low Income Housing	47,000				700,000	1,000,000	600,000
Total Expenditures							
Total Expenses	1,055,973	833,796	602,997	800,000	1,015,000	1,330,000	935,000
Revenue Minus Expenses	-372,943	-16,654	506,865	221,114	-90,634	-369,280	92,864

Source: Redevelopment Agency Audits 1999-2002 and Projections 2003-2006

* includes property tax increment, interest earned, and other revenue in fund

- City of Hayward Housing Authority:** In addition to the City issuing multifamily or single family mortgage bonds directly, the City can issue those bonds through its housing authority for residential projects that have set aside at least 20% of the units for very low income households. The City Housing Authority contracts with the Alameda County Housing Authority to operate the jurisdiction's share of Section 8 program.
- Publicly Owned Land:** The City of Hayward anticipates developing housing on Site Four in the Redevelopment Area during the period of this Housing Element Update.
- Mortgage Credit Certificates:** The City of Hayward participates in the Alameda County Mortgage Credit Certificates (MCC) Program. The MCC Program provides additional federal income tax relief to low and moderate-income first-time homebuyers. Due a transfer

in Single Family Mortgage Bond allocation from cities and counties to the California Housing Finance Agency by California Debt Limit Advisory Committee (CDLAC), the number of MCCs available has been severely reduced. The City's share of Alameda County's allocation has decreased from approximately 100 per year to about 20 per year.

- **Social Services Program:** The City of Hayward has a policy of allocating approximately \$350,000 from the City's general fund for grants to nonprofit social services agencies that will conduct a variety of public service activities. Until FY 2003/2004, an additional \$170,000 was available to fund special social service projects. Due to the California economy's impacts on City revenues, \$350,000 is the maximum amount that will be allocated to social services programs for next several years.

4. *Private*

- **Community Reinvestment Act/ Banks and Savings and Loan Corporations:** The Community Reinvestment Act (CRA) requires private banks and lenders to provide financing for a variety of community-improvement projects. The City of Hayward works with a variety of private lenders to provide favorable terms for mortgages to first-time homebuyers, special financing for affordable rental projects and loans for small businesses. The CRA places a responsibility on financial institutions to address the credit needs of low-income families.

5. *Enforcement*

- **Community Preservation Program:** The City has eight inspectors who are responsible for resolving violations of the Community Preservation, Graffiti Abatement, Vehicle Abatement, Weed Abatement, Sign and Zoning Ordinances.
- **Residential Rental Inspection Program:** The City has four inspectors who are responsible for inspecting all residential rental units in the City on a rotating basis for compliance with the Uniform Housing Code. Units are also inspected on a complaint basis when that complaint is made by the current tenant.

B. EXPENDITURES FOR HOUSING PRODUCTION, CONSERVATION AND RELATED SERVICES 1990-2000

The following table lists the projects, number of units, type of units and type and amount of funding for the period 1990-2000.

Table F-2: EXPENDITURES FOR HOUSING PRODUCTION, CONSERVATION AND RELATED SERVICES 1990-2000

Project Name	Project Description	Total Units	Income Limit	Funding Source				
				LM Fund	HOME	CDBG	MRB	TOTAL
Allied Housing	New construction of transitional housing	28	Very Low			\$100,000		\$100,000
B St. Bungalows	New construction of ownership housing	4	Low			\$800,000		\$800,000
Community Resources for Independent Living	Housing-related services for special needs		Very Low			\$280,000		\$280,000
DCARA Deaf House	Financing for transitional shelter	6	Very Low			\$430,000		\$430,000
EC Magnolia Court	New construction of disabled rental housing	21	Very Low	\$288,000				\$288,000
Eden Council for Hope and Opportunity	Fair Housing services		Very Low			\$1,300,000		\$1,300,000
Eden Information and Referral	Housing-related services		Very Low			\$311,000		\$311,000
FESCO	Emergency Shelter	5	Very Low			\$214,000		\$214,000
Glen Berry	New Construction of affordable rental housing	50	Very Low	\$680,000	\$500,000	\$179,000		\$1,359,000
Glen Eden	New Construction of affordable rental housing	36	Very Low	\$490,000		\$129,000		\$619,000
Green Shutter	Rehabilitation of an SRO apartment complex	63	Very Low	\$650,000				\$650,000
GT Arms	Home ownership assistance	8	Moderate	\$907,000				\$907,000
Harris Court	Acquisition and rehab of affordable rental housing	24	Very Low	\$275,000	\$990,000			\$1,265,000
Human Outreach Agency	Homeless Shelter	18	Very Low			\$282,000		\$282,000
First Time Homebuyer Assistance Program	Home ownership assistance	150	Moderate	\$860,000				\$860,000
Down Payment Assistance Program	Home ownership assistance	35	Low			\$1,100,000		\$1,100,000
Housing Conservation Loan Program	Residential rehab for families and seniors	90	Low / Very Low			\$4,100,000		\$4,100,000
Minor Home Repair Program	Residential Rehab for Seniors and Disabled Owners	530	Low / Very Low			\$1,500,000		\$1,500,000
SAVE/WINGS	Transitional Housing	14	Very Low			\$370,000		\$370,000
Spring Court	Home ownership assistance	32	Moderate	\$300,000				\$300,000
Tennyson Gardens	Acquisition and rehab of affordable rental housing	96	Low		\$800,000		\$6,450,000	\$7250000
The Timbers	New construction of affordable rental housing	27	Low				\$9,500,000	\$9,500,000
Westporte Duets	New construction of affordable ownership housing	18	Low			\$360,000		\$360,000
	TOTAL	1,255		\$4,450,000	\$2,290,000	\$11,455,000	\$15,950,000	\$34,145,000

C. HOUSING PROGRAM GOALS

The law requires the City to provide a program that sets forth a five-year schedule of actions the City will undertake or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element. In order to make adequate provision for the housing needs of all economic segments of the community, the program shall do all of the following:

New Housing Development:

In accordance with Housing Element Law, the City of Hayward has a goal of developing the following number of housing units—

- 625 units for very low-income households;
- 344 units for low-income households;
- 834 units for moderate-income households;
- 1,032 units for above moderate-income households

The City of Hayward has a total of 20.81 acres of vacant land and 49.43 acres of underutilized land zoned for high-density residential development with a total housing development potential of 1,276 units. The City has 37.5 acres of vacant land and 14.7 acres of underutilized land zoned for medium-density residential development with a total housing development potential of 507 units. The City has 124.9 acres of vacant land and 56.92 acres of underutilized land zoned for single-family residential development with a total housing development potential of 1,087 units. The attached map identifies specific sites for residential development.

According to the ABAG needs determination, the majority of units that will need to be developed in Hayward are for moderate and above moderate-income households. These needs can be served by the private sector creating new market-rate housing. There are, however 625 units of housing for very low-income households and 344 units for low-income households will need to be developed. Meeting this need will require assistance from the Federal, State, and City/Redevelopment Agency resources.

Since the majority of Hayward is built-out, urban services including public services and facilities are available throughout the City.

Quantified Objectives

It is anticipated that based on the supply of land appropriate for residential development, the activities of private developers and the activities of developers working with the City of Hayward to provide housing affordable to lower-income households that the total residential development activity will meet the ABAG Regional Housing Needs Determination with the exception of approximately 42 units of housing for above moderate income households. Residential development activity in Hayward for the period of 1999 through 2006 will include the following activities, new construction, rehabilitation and conservation. New construction projects may include the creation of new housing units by private developers and developers working with the City to create affordable housing. Residential rehabilitation projects will include the City's on-going rehabilitation programs and acquisition and rehabilitation projects conducted by private developers. Conservation programs will include the City's effort to secure

long-term affordability requirements for existing developments that have expiring affordability restrictions.

The following table presents quantified objectives, by income category, for new construction, rehabilitation and conservation.

Table F-3: Quantified Objectives for the Planning Period 1999-2006

Household Income	New Construction (units)	First-Time Homebuyer Assistance		Property Rehabilitation (units)	Housing Conservation (units)
		Homebuyer Workshops	Loans*		
Very Low	625	0	0	300	57
Low	344	500	0	4,090**	0
Moderate	834	1,600	100	0	0
Above Moderate	1,032	0	0	0	0
TOTAL	2,835	2,100	100	4,390	57

* only includes down payment assistance loans made directly by the City; does not include first mortgage loans made by the City's participating lenders

**includes repairs made as a result of the rental inspection program.

Units Needing Rehabilitation/Conservation:

Since the many of Hayward's single-family units were built between 1950 and 1960 and the majority of multifamily units were built between 1960 and 1980, housing rehabilitation is a very important program activity for Hayward. Approximately, 4,000 rental units will brought up to code during this period due to the City's Residential Rental Inspection Program. Approximately, 400 conventional and mobile homes will receive repairs through the City's property rehabilitation programs.

Housing Units Needing Replacement:

There are few units in Hayward that are so blighted that they need to be replaced. In the past ten years, there were approximately 40 units that required demolition. When Hayward's Redevelopment Agency or Community Development Block Grant funded program demolish low income housing, that housing unit must be replaced on a one-for-one basis with a unit of the same type (e.g. three bedroom units must be replaced with the same, although houses can be replaced by apartment units).

Preservation of Existing Affordable Units:

The City of Hayward will make every effort to preserve and extend the affordability requirements of existing multifamily developments. Whenever possible, the City will work with local nonprofit affordable housing developers to acquire subsidized housing developments at risk of converting to market rate. There are only 57 units at-risk during this planning period. Staff discussed preservation options with the owner. However, the owner told City staff that these

units would need to be raised to market in 2004 and that he was not interested in selling the development.

SECTION D: POLICIES, STRATEGIES AND PROGRAMS

Please Note:

- Policies appear in UPPER CASE LETTERS; Strategies appear in *italics* and Programs appear in standard 12 point type)
- The financing under each program, identifies the revenue source(s) that may be used to fund a given program and does not represent a specific commitment of funds. Funding commitments are made by City Council through the City Budget.

I. EXPAND THE HOUSING SUPPLY

POLICY 1.0: ENCOURAGE THE PROVISION OF AN ADEQUATE SUPPLY OF HOUSING UNITS IN A VARIETY OF HOUSING TYPES WHICH ACCOMMODATE THE DIVERSE HOUSING NEEDS OF THOSE WHO LIVE OR WISH TO LIVE IN THE CITY.

Strategy 1.1: Maintain an adequate supply of land designated and zoned for residential use at appropriate densities to meet housing needs consistent with the objective of maintaining a balance of land uses.

Program 1.1.1: Ensure that there is sufficient capacity to accommodate the dwelling units needed to maintain a jobs/housing balance by evaluating the remaining housing potential in relation to the projected housing need based on population and employment forecasts.

Implementation:

- The Planning Division will implement this program by monitoring the demand for housing and the availability of vacant and underutilized land.
- If there is an insufficient amount of vacant and underutilized residentially-zoned land to support the Regional Housing Needs Determination, then the City Council will consider rezoning residential, commercial, or industrially-zoned land to appropriate residential densities.

Financing: None required

Time Frame:

- As projects are approved.
- On an annual basis, the Advance Planning Program will generate a table that shows remaining housing potential.
- During the year it is established that an insufficient amount of vacant and underutilized residentially-zoned land exists, Planning staff will prepare and present to City Council recommendations for the locations of and type(s) of rezoning needed to assure an adequate

supply of land at appropriate residential densities.

Program 1.1.2: Identify opportunities for increased housing potential (land and/or densities) citywide in order to accommodate the citywide need for new dwelling units.

Implementation:

- The Planning Division and the Redevelopment Agency will implement this program by developing Area Plans that assess the feasibility of residential development throughout the city and within the Redevelopment Area.
- As plans are adopted land will be rezoned as appropriate.
- It is not known at this time what densities will be proposed for various sub-areas, except the Cannery Area, because the establishment of densities and the expected development capacity to be achieved are part of the plan development phase.

Financing: General Fund.

Time Frame:

- In 2001, the Cannery Area Design Plan was adopted.
- The South Hayward BART Area Plan is scheduled to be developed in FY 2003.
- A plan for the Mt. Eden neighborhood is scheduled to be developed in FY 2003.

Strategy 1.2: Promote development of infill housing units within existing residential neighborhoods in a variety of housing types.

Program 1.2.1: Identify sites throughout Hayward that may be appropriate for infill housing and make this information available to developers who express interest in developing residential projects.

Implementation:

- The Neighborhood and Economic Development Division and the Redevelopment Agency implemented this program by identifying potential sites on the City's map of vacant and underutilized properties. The map will be updated as potential infill sites are identified as part of the process of developing plans for Redevelopment sub-areas.
- In 2001, the Redevelopment Agency adopted a "Cannery Area Design Plan" that describes the City/Agency's plans for development in that area. The Plan contains the adopted densities, types and numbers of units for the area. At least 90 units will be restricted to occupancy by very low (36 units) and low-mod households (54 units).
- An RFP was issued to development groups to obtain a developer for the major portion of the Area.

Financing: Redevelopment funds

Time Frame:

- Vacant and underutilized sites were identified as part of the research effort for the Housing Element.
- As soon as it is completed in 2003, the Vacant and Underutilized Parcel Map will be displayed in the City's Permit Center for review by any developer interested in residential infill projects.
- The Cannery Area Design Plan was adopted and has been available to developers since 2001.
- Unfortunately the recent downturn in the economy has impacted the ability to simultaneously carry out both the private housing development and the public facilities portions of the Design Plan. The Agency anticipates re-issuing the RFP for housing development in 2004 in coordination with the Hayward Unified School District's application to the State by the for bond funds to build a new elementary school.

Program 1.2.2: The City shall apply condominium construction and parking standards to new rental housing developments.

Implementation: Planning and Building Inspection staff will apply condominium construction and parking standards to new rental housing development in order to ensure that the design of rental housing is equivalent to that of for-sale units.

Financing: General Fund

Time Frame: As projects are proposed

Strategy 1.3: Encourage medium and high-density residential and mixed-use development along major arterials and near major activity or transit centers.

Program 1.3.1: Designate areas along major arterials and near major activity or transit centers for medium and high-density residential development. Amend Commercial zones to allow residential development above commercial uses along major arterials. In addition, encourage planned development zoning that includes mixed commercial and residential uses.

Implementation:

- The 2002 Updated General Plan designates areas along major arterials and near major activity or transit centers for medium and high-density residential development.
- By 2000, commercial zones were amended to allow residential development above commercial uses along major arterials.
- On an on-going basis, Planning Division staff inform developers looking for building sites about the zoning and development potential along major arterials and encourage planned development (PD) that implements smart growth principles.
- Since 2002, multicolored citywide zoning and land use maps have been displayed in the Permit Center for all interested parties to review.
- By the end of FY 2003, the City will place the zoning and land use maps on the City's web

site so that they is available to all interested parties.

Financing: None required.

Time Frame:

- Whenever inquiries are made about areas for potential development or whether a development concept is appropriate for a given area, Planning staff will inform those inquiring about the potential for development along major arterials.
- In addition, staff will inform residential developers of the opportunity to have pre-application meetings with City development process staff to discuss concepts including planned development.
- As soon as the zoning and land use maps are on the City's web site, information regarding same will be put on the government access cable television channel and callers with zoning inquiries will be encouraged to use the website.

Program 1.3.2: As appropriate, allow reductions in parking requirements for housing developments in close proximity to major transit routes (BART and express bus lines) or major activity centers.

Implementation:

- Continue to allow residential developments in the Downtown to have fewer parking spaces per unit than elsewhere in Hayward (1.5 per unit vs. up to 2.25 per unit) to encourage transit-oriented development.
- Consider changes in the City's off-street parking regulations for housing developments within 1/2 mile of the South Hayward BART Station to encourage transit-oriented development.

Financing: None required

Time Frame: These changes will be considered as part of the South Hayward BART Station Area Concept Plan is completed in 2004.

Strategy: 1.4: Explore ways to allow expansion of existing dwellings while maintaining the integrity of neighborhoods.

Program 1.4.1: Consider reducing rear setback requirements in existing single family neighborhoods to allow owners to build additional bedrooms and bathrooms to their homes to reduce overcrowding.

Implementation:

- Planning staff will undertake this review and make recommendations to Council when the Zoning Ordinance is revised.
- If a change in the Zoning Ordinance is adopted to allow expansion of existing dwellings, that information will be listed on the City's TV channel's scrolling bulletin board.

- Additionally, such bedroom and bathroom additions will then become an eligible activity under the City's property rehabilitation programs serving lower income households.

Financing: CDBG funds for housing rehabilitation for lower income Hayward residents.

Time Frame: The Zoning Ordinance is scheduled for revision in FY 2003.

Strategy 1.5: Encourage developers to create residential units that accommodate varied household sizes and income levels.

Program 1.5.1: Include a mix of housing types for households at various income levels in area design plans.

Implementation:

- As the City develops area design plans a mix of housing types will be included.
- In addition, any acquisition and rehabilitation or new construction projects financed by City Housing Authority mortgage revenue bonds will contain units affordable to households at various income levels, including households at or below 50% of area median income.
- If the City adopts an Inclusionary Ordinance, then new residential development will provide for the range of income groups specified for various development types.

Financing: Redevelopment Low and Moderate-income Housing Fund and Mortgage Revenue Bonds and Low Income Tax Credits

Time Frame: As plans are developed. For example, the Cannery Area Design Plan was developed in FY2001 and the South Hayward BART Area Concept Plan will be completed in 2004. See Strategy 4.3 in regard to the Inclusionary Ordinance.

2. CONSERVE THE HOUSING STOCK

POLICY 2.0 ENSURE THE SAFETY AND HABITABILITY OF THE CITY'S HOUSING UNITS AND THE QUALITY OF ITS RESIDENTIAL AREAS.

Strategy 2.1: Maintain and upgrade residential areas through abatement of nuisances and provision of needed public improvements.

Program 2.1.1 Continue to implement the City's Community Preservation (CP) Ordinance and revise it to make the Ordinance more comprehensive and easier to enforce. Continue to enforce the Building, Housing, Mechanical, Electrical, Plumbing and Fire Codes to ensure decent, safe and sanitary housing.

Implementation:

- In 2002, the CP Ordinance was revised to be more comprehensive and more specific for improved enforcement.
- In 2003, an Administrative Citations Ordinance was adopted by the City. This ordinance makes violations of City Codes subject to an administrative citations process that is designed to speed and improve enforcement efforts.
- Community Preservation enforces the CP Ordinance, the Sign Ordinance and the Zoning Ordinance. The Building Division enforce the Uniform Building, Housing, Mechanical, Electrical and Plumbing Codes and the Fire Code.

Financing: General Fund

Time Frame:

- A revised CP Ordinance was adopted in 2002.
- Code enforcement continues on an ongoing basis.

Strategy 2.2: Maintain and upgrade the housing stock by encouraging the rehabilitation, maintenance and upkeep of residential properties. Maintain a supply of various types of rental housing for those who do not have the desire or the resources to purchase homes.

Program 2.2.1: Operate property rehabilitation programs that assist low-income households.

Implementation:

- Programs operated by the City include, but are not limited to: minor home repairs, accessibility repairs, and substantial rehabilitation. The City spends more than \$800,000 each year in CDBG funds on property rehabilitation projects.
- Eligible housing stock includes conventional and mobile homes and multifamily housing. Please note: The City of Hayward is one of the few jurisdictions that provides deferred loans to mobile home owners to bring their properties up to code and make general property improvements.
- Eligible owners include: Seniors, persons with disabilities and low-income families and investor-owners of rental property that houses lower income households.

Financing: Community Development Block Grant, HOME Investment Partnership funds, Low/ Mod Fund and Mortgage Revenue Bond monies and other federal, state and private funds as available.

Time Frame:

- CDBG funds are available on an annual basis.

- The City uses other funding (such as Mortgage Revenue Bonds) in conjunction with specific projects.

Strategy 2.3: Continue to implement the Residential Rental Inspection Program and explore whether changes are needed to maintain a quality housing stock.

Program 2.3.1: To ensure habitability of rental units, continue to inspect residential buildings and require correction of deficiencies. Revise the Residential Inspection Ordinance to improve habitability and compliance.

Implementation and Time Frame:

- Inspection of residential buildings by City Rental Housing Inspection staff and correction of deficiencies is mandatory.
- The Residential Rental Inspection program was revised in 2003 to focus on the areas that have the highest percentage of rental housing. The turn-around time has been shortened from 5-7 years to 3.5 years for these areas. In the non-focus areas, there will be “spot checks” approximately 10% of the housing will be inspected on a regular basis every 3.5 years.
- Individual units will be inspected as complaints are received.

Financing: General Fund

3. SUPPORT OWNER-OCCUPIED HOUSING

POLICY 3.0: ENCOURAGE THE DEVELOPMENT OF OWNERSHIP HOUSING AND ASSIST TENANTS TO BECOME HOMEOWNERS IN ORDER TO REACH A 70% OWNER-OCCUPANCY RATE, WITHIN THE PARAMETERS OF FEDERAL AND STATE HOUSING LAW

Strategy 3.1. Provide down payment and closing costs assistance loans in order to encourage homeownership opportunities. Conduct first time homebuyer workshops to prepare people for homeownership. Engage in periodic outreach to Hayward renters to inform them about the availability of homeownership workshops and other forms of assistance

Program 3.1.1. Continue to operate the City’s first time homebuyer program and change loan amounts and terms in accordance with changes in the housing market to better assist eligible home buyers.

Implementation:

The Homeownership Coordinator conducts the following program activities:

- Conduct at least 18 first time home buyer workshops each year, including four in Spanish.

- Coordinate 12 Hayward Lender's Round Table, networking with local real estate professionals, title companies and lenders.
- Make presentations to community groups about the Hayward First-Time Homebuyers Program.
- Counsel potential homebuyers about credit and other issues.
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Loans terms are:

- Up to \$20,000 may be borrowed for down payment and closing cost assistance;
- Term is for 30 years;
- Interest rate is set at the Federal Home Loan Bank 11th District cost of funds which is currently 2.21%
- Maximum sales price is \$330,000

- Periodically, as sales prices change, the City Manager authorizes changes in the maximum sales price and changes in the loan amount .

Financing: Low and Moderate Housing Fund

Time Frame: These activities take place monthly throughout the year.

Strategy 3.2: Develop monitoring programs to assess the potential cumulative effects of these homeownership programs.

Program 3.2.1: Continue to monitor the cumulative effects of homeownership programs on the overall housing stock in Hayward.

Implementation: Advance Planning staff monitor these impacts as part of the General Plan annual review.

Financing: None Required

Time Frame: Continuing effort

4. DEVELOP AFFORDABLE HOUSING

POLICY 4.0. ENSURE THAT THE CITY'S HOUSING STOCK CONTAINS AN ADEQUATE NUMBER OF DECENT AND AFFORDABLE UNITS FOR HOUSEHOLDS OF ALL INCOME LEVELS.

Strategy 4.1: Generate housing affordable to low and moderate-income households through participation in federal and state housing subsidy and mortgage bond programs and in county or non-governmental programs.

Program 4.1.1: To generate new affordable housing for very low, low and moderate-income Hayward residents, the City will continue to utilize the Tax-Exempt Multifamily Mortgage Revenue Bond program, Low Income Tax Credits and all other sources of federal, state and local financing to create affordable housing.

Implementation:

- The Neighborhood and Economic Development Division and the Redevelopment Agency assist residential developers in the acquisition, rehabilitation or new construction of affordable housing by --
 - providing them with information and materials needed to compete successfully for state and federal funds;
 - providing them with information about financial resources available;
 - by making “gap financing” loans.
- If a source of funds for affordable housing requires that the City, rather than the developer, apply for funds, then the City will make application to the appropriate funding source.
- The City has a Housing Authority through which it issues tax-exempt multifamily mortgage bonds to construct new or acquire and rehabilitate rental housing. This form of financing is available to developer(s) whose project is located in an appropriate residential zone and meets the City’s design guidelines.
- The City’s primary partner in the development of affordable housing has been Eden Housing, Incorporated (EHI). EHI is a Hayward-based nonprofit developer and property manager of permanently affordable housing developments. Over that time, EHI has developed more than 1,250 units in 23 developments throughout Hayward.
- In the FY 2003 budget, the City has provided CDBG pre-development funds to EHI to develop a 50-75 unit affordable housing project for lower income families.

Financing:

- Federal, state and local resources, including Community Development Block Grant funds, HOME Investment Partnership funds, Low/Moderate Fund monies and loans from private sector lenders.
- Although many sources of funds are listed above, the cost to develop a 50 unit project can be \$15 million or more. This generally requires the use of all available public and private funding sources. The “financing gap” for such projects can be between \$2 - \$5 million in order to permanently reduce rents so that they are affordable to very low and extremely low income households.

Time Frame: Continuing effort as projects are proposed.

Program 4.1.2. To provide rent subsidies to very low-income households who would otherwise be unable to afford housing, the City will continue to contract with the Alameda County Housing Authority to operate the Section 8 program in Hayward.

Implementation: Alameda County Public Housing Authority staff will implement this program.

Financing: Federal Section 8 Program

Time Frame: Continuing effort

Strategy 4.2: Periodically review the City's development process system to reduce delays or impediments to the development of new housing or the acquisition and/or rehabilitation of existing housing.

Program 4.2.1. Continue to review and improve the City's development process system.

Implementation: The City Manager, Fire Department, Public Works and the Planning and Building Divisions of the Community and Economic Development Department evaluate the City's development process to improve its efficiency and effectiveness.

Financing: None Required

Time Frame: Meetings are conducted quarterly.

Strategy 4.3. Consider an inclusionary zoning ordinance as a means of increasing the supply of affordable housing and reducing geographic concentration.

Program 4.3.1. Prepare an inclusionary zoning ordinance that requires that any new residential development (single family or multifamily) provide a minimum number of moderate, low and very low-income units. In-lieu fees may be assessed to meet the developer's obligation.

Implementation: Neighborhood and Economic Development Division and the City Attorney's Office will prepare the ordinance and implement this program.

Financing: None Required

Time Frame:

- In April 2003, a draft Inclusionary Ordinance was discussed in Worksession with City Council.
- In June 2003, the City Council adopted an inclusionary housing ordinance.

Strategy 4.4. Review any proposed disposition of surplus public land within the City limits to determine its suitability as a site for low-income housing.

Program 4.4.1: To increase the number of sites available for low-income housing development, the City will continue to review any proposed disposition of surplus public land within the City limits. Where consistent with adopted land use plans and standards, make proposals for assisted

housing the highest priority (e.g. parks have highest priority in under-served areas).

Implementation and time frame:

- Neighborhood and Economic Development Division review the City’s surplus property list on a quarterly basis to identify sites.
- In addition, the City’s Real Property Associate (responsible for surplus property) has been requested to identify sites for affordable housing when a site is entered on the list.
- The Community and Economic Development Department is on the list of other public agencies with property located in Hayward in order to receive their notices of surplus property. These notices are reviewed by the Neighborhood and Economic Development Division to identify available sites.

Financing: None needed.

Strategy 4.5. Use Redevelopment Agency resources to generate affordable housing within the Redevelopment Project Area and throughout the City, consistent with State law.

Program 4.5.1: Low and Moderate-Income Housing Funds will be used to leverage additional funds for the development of housing for very low, low, and moderate-income Hayward residents

Implementation: Neighborhood and Economic Development Division and the Redevelopment Agency will implement this program in accordance with State Redevelopment Law production and replacement requirements.

Financing: Low and Moderate-Income Housing Fund

Time Frame: Continuing effort as projects are developed.

Program 4.5.2: Spend Low/Mod Fund monies to assist moderate, low and very low income households in the same ratio as units for those households were allocated through the Regional Housing Needs Determination. Agency funds will be used to provide direct or indirect financial assistance to affordable housing developments, both within and outside the Redevelopment Project Area.

Implementation:

- Neighborhood and Economic Development will monitor the Low/Mod Fund to ensure that expenditures from this fund during a ten year period serve the proportion of very low, low and moderate-income households as Hayward’s allocation under the Regional Housing Needs Determination.
- The first priority for the use of Low/Mod Fund monies is in the Redevelopment Area, particularly for “gap financing” of affordable housing on Site 4 and in the Cannery Area.

Financing: Low and Moderate-Income Housing Fund

Time Frame:

- Continuing effort as projects are proposed.
- Expenditures from the Low and Moderate-Income Housing Fund will continue to be reviewed annually to determine the percentage of funds spent on each income group and plan adjustments as necessary.

5. SUPPORT “SPECIAL NEEDS” HOUSING

POLICY 5.0 ENSURE THAT SPECIAL NEEDS HOUSEHOLDS HAVE A VARIETY OF HOUSING UNITS FROM WHICH TO CHOOSE AND THAT THE EMERGENCY HOUSING NEEDS OF HAYWARD HOUSEHOLDS ARE MET.

Strategy 5.1 Analyze the special housing needs of the elderly, the disabled, female headed households, large families, and homeless persons and families as required by State law.

Program 5.1.1: Review 2000 Census data to determine the types of special needs of Hayward residents.

Implementation and Time Frame:

- Neighborhood and Economic Development staff have analyzed the 2000 Census data and identified special housing needs.
- Neighborhood and Economic Development staff will work with developers of affordable housing to ensure, in as much as possible, that the special needs of these groups will be met in residential development projects as they are being developed.
- In FY 2003, this data will be discussed with CRIL, homeless shelters and other agencies that serve special needs households to determine whether their programs meet the identified needs and whether any program changes are needed.

Financing: None Required

Strategy 5.2 Promote emergency housing programs that prevent or relieve homelessness.

Program 5.2.1: Utilize available resources to support emergency shelters, transitional housing and support services which directly benefit homeless households.

Implementation:

- Every year, Neighborhood and Economic Development staff provide information to local nonprofit organizations that serve the homeless, informing them about the availability of and process for obtaining grants from CDBG and Social Services funds.
- Once funds are allocated, staff monitors programs to ensure that those in need are being served appropriately.
- The City participates in the Alameda County Continuum of Care in support of programs that relieve homelessness.

- In FY 2003, Neighborhood and Economic Development Division participated in the Alameda County homeless count.
- Annually, the City utilizes its CDBG and General Fund monies to fund services in two homeless shelters, one transitional housing development, one motel voucher program, two food programs for the homeless, one program providing court support for survivors of domestic violence and one information and referral telephone line for homeless and low income households.

Financing: General Revenue funds, CDBG, and Federal and State Supportive Housing Programs.

Time Frame: Continually

Program 5.2.2: To prevent homelessness, the City will continue to assist programs that assist households to retain their housing (e.g. landlord-tenant mediation services and short-term rent/mortgage assistance programs).

Implementation:

- The City funds and provides technical assistance to the following homelessness prevention programs:
 - ECHO's rental assistance and landlord tenant programs;
 - CRIL's housing counseling for people with disabilities; and
 - Eden I&R's CHAIN Line (for affordable housing information).

Financing: CDBG Funds

Time Frame: Annually

Program 5.2.3: The City will monitor and evaluate the impact of Hayward's zoning requirements for homeless shelters and, if necessary, revise the process to facilitate shelter development.

Implementation:

- Neighborhood and Economic Development Division staff and Planning staff will review the impact of Hayward's zoning and development process for homeless shelters to identify any impediments to shelter development.
- When an application for a homeless shelter is received by Planning, the Neighborhood and Economic Development staff will participate in the review of that project to ensure that the project developer is proposing a sound program, has met with community residents to obtain support, and understands the planning and building process.
- If the requirements are creating impediments to shelter development, staff will propose changes to the Zoning Ordinance.

Financing: Affordable Housing Fund

Time Frame: Annually

Strategy 5.3 Promote the development of permanent affordable housing units for those defined as special needs households.

Program 5.3.1: The City will enforce State and Federal Laws including the Uniform Building and Housing Codes.

Implementation and Time Frame:

- As projects are developed, Building Division Plan Check staff review plans to ensure that Title 24 requirements are met.
- On a continuous basis, Rental Housing Inspectors inspect rental units for code violations and require repairs as needed.

Financing: None Required

Program 5.3.2: Assist persons with disabilities to locate suitable units.

Implementation:

- On an annual basis, the City funds CRIL's housing counseling staff. This staff assists people with disabilities to locate suitable units. CRIL is well-known throughout the area and advertises its services to people with disabilities.
- The City also funds Eden I&R's CHAIN Line which provides information to tenants and case managers about low rent apartments that may be available and lobbies landlords to accept tenants with disabilities.

Financing: CDBG Funds

Time Frame: Continuing effort

Program 5.3.3: Encourage developers to build three bedroom units in multifamily rental projects and four and five bedrooms in single family residential projects.

Implementation:

- Demand in the housing market is requiring developers of single family homes to build four and five bedroom homes in order to be competitive.
- Developers of affordable rental projects that obtain assistance from the City will be required to build developments where at least 40% of the units are three bedrooms. It is the experience of local nonprofit housing developers that there is great demand for smaller units and little demand for four bedroom units (for families of seven or more); the four bedroom units also reduce the number of units on the site.

Financing: No additional financing required.

Time Frame: Whenever affordable developments are planned.

Program 5.3.4: Continue to fund residential accessibility repairs and improvements for tenants and homeowners with disabilities.

Implementation:

- Neighborhood and Economic Development staff continue to operate residential rehabilitation programs on an annual basis.
- City staff coordinate with CRIL regarding this program; CRIL conducts outreach activities in support of the program and refers people with disabilities to the accessibility program.
- At least five properties will receive accessibility repairs annually.

Financing: CDBG Funds

Time Frame: Continuing effort

6. PROMOTE FAIR HOUSING

POLICY 6.0: PROMOTE EQUAL ACCESS TO HOUSING BY EDUCATING CITY RESIDENTS ABOUT FAIR HOUSING AND LENDING LAWS.

Strategy 6.1. Promote the dissemination of information to alert homeowners about predatory lending practices.

Program 6.1.1 Encourage non-profit organizations that provide fair housing services and senior citizen programs to disseminate information about predatory lending practices.

Implementation:

- The City's Homeownership Coordinator discusses predatory lending practices with participants in First Time Homebuyer Workshops.
- The City's Homeownership Coordinator works with realtors and lenders in the Hayward Lender's Roundtable to ensure that none of the participants engage in predatory lending activities. In order to participate in Hayward's First Time Homebuyers' Program, lenders and title companies must commit to charging no more than one point in fees.

Financing: CDBG

Time Frame: Continuing effort

Strategy 6.2. Work with Bay East Association of Realtors and others to ensure that residential real estate agents and brokers adhere to fair housing laws and regulations. Work with tenants, tenant advocates, and rental housing owners and managers to eradicate housing discrimination and to ensure that Hayward's supply of rental housing is decent, safe and sanitary.

Program 6.2.1 To prevent or remedy illegal housing discrimination, the City will continue to fund a fair housing activities.

Implementation:

- The City funds ECHO to provide fair housing services, investigate complaints, identify housing discrimination practices and develop effective techniques to eliminate housing discrimination.
- The City also funds ECHO to conduct an annual fair housing audit of at least 20 rental properties in Hayward.

Financing: CDBG Funds

Time Frame: Continuing effort

Strategy 6.3 Review the Residential Rent Stabilization Ordinance and other City Ordinances to identify changes, as appropriate.

Program 6.3.1. Review City ordinances pertaining to rental housing and recommend changes as appropriate.

Implementation:

- Continue to conduct a rental housing work group with tenant, landlord, nonprofit housing developer representatives, and City staff to make recommendations on ordinance changes.
- In FY 2003, the City Council adopted an updated Residential Rent Stabilization Ordinance.

Financing: None Required

Time Frame: Throughout 2002 various ordinances will be reviewed and changes forwarded to the City Council for adoption.

Strategy 6.4 Promote training for property owners and managers to ensure that they are knowledgeable of the requirements of Federal, State and local real estate, housing discrimination, tenant protection, housing inspection and community preservation laws. Promote training of tenants in the requirements of Federal, State, and local laws so that they are aware of their rights and obligations.

Program 6.4.1: Educate owners, managers and tenants about fair housing.

Implementation: The City will contract with non-profit organizations that provide fair

housing services to promote and conduct education programs, produce educational materials in at least four of the languages spoken by Hayward residents and conduct counseling sessions with Hayward residents on fair housing issues.

Financing: CDBG

Time Frame: Continuing effort. CDBG funds are allocated annually

Program 6.4.2: Participate with the Rental Housing Owners Association (RHO) in the implementation of the Multifamily Management Assistance Program (MMAP) for property managers in Hayward.

Implementation: City staff will make presentations and conduct sessions of the MMAP that focus on City activities that affect rental housing. The MMAP improves the knowledge and skills of property managers by teaching them federal, state, and local housing regulations, effective property management skills, tenant screening techniques, and introducing them to the Neighborhood Watch and other programs operated by the City of Hayward.

Financing: None Required

Time Frame: Continuing effort; each time the course is taught.

7. PRESERVE ASSISTED HOUSING

POLICY 7.0 AVOID THE LOSS OF ASSISTED HOUSING UNITS AND THE RESULTING DISPLACEMENT OF LOW INCOME RESIDENTS BY PROVIDING FUNDS TO NON-PROFIT DEVELOPERS TO BE USED FOR THE ACQUISITION OF AT-RISK SUBSIDIZED HOUSING DEVELOPMENTS AT-RISK OF CONVERTING TO MARKET RATE.

Strategy 7.1 Monitor at-risk projects/units.

Program 7.1.1. Identify and maintain an updated inventory of at-risk projects

Implementation: Neighborhood and Economic Development staff will use existing databases (e.g., HUD, State of California Department of Housing and Community Development, California Housing Partnership Corporation, Alameda County), as well as other sources that provide information about the affordability restrictions on subsidized residential developments at-risk of converting to market rate.

Financing: None Required

Time Frame: Annually

Program 7.1.2: Ensure that residential developments with affordability restrictions that have been preserved through government action are well-managed, maintained and operated in accordance with local, state and federal regulations.

Implementation: Neighborhood and Economic Development staff will monitor rent-restricted residential developments that have been acquired by non-profit or for-profit entities to ensure that commitments to tenants have been kept and properties are well managed.

Financing: Affordable Housing (Mortgage Revenue Bond) Fund

Time Frame: Continuing effort; each project will be monitored annually

Strategy 7.2 Whenever feasible, assist non-profit housing developers with the acquisition of rent-restricted residential developments that are at-risk of conversion to market-rate rents.

Program 7.2.1: Encourage the sale or transfer of rent-restricted residential developments to non-profit organizations who will agree to maintain the affordability restrictions for the life of the project.

Implementation:

1. Neighborhood and Economic Development staff will monitor and respond to any Notice of Intent or Plan of Action that may be filed with the U.S. Department of Housing and Urban Development for existing rent-restricted developments and recommend possible action to preserve and extend affordability restrictions; actively participate in the plan of action process;
2. When feasible, finance the acquisition of existing rent-restricted developments through the issuance of mortgage revenue bonds.

Financing: All available Federal, State and local funds and private sector loans and grants

Time Frame: Contingent on the owners of rent-restricted developments choosing to opt out of maintaining affordability requirements at the end of the rent-restriction term. Continuing effort beginning with discussions with owners approximately one year prior to rent restrictions terminating, through the process where owners file Notices of Intent or Plans of Action

Strategy 7.3 Participate in federal, state or county initiatives to address the preservation of rent-restricted developments at-risk of converting to market rate.

Program 7.3.1: Participate in federal, state or local initiatives and programs designed to preserve affordable housing.

Implementation: As initiatives and programs are proposed, Neighborhood and Economic Development staff will assess their feasibility for preserving rent-restricted housing

developments at risk of conversion to market rate.

Financing: None Required

Time Frame: Continuing effort as legislation is proposed

Strategy 7.4 Extend the duration of rent-restrictions for existing affordable residential developments.

Program 7.4.1: Encourage owners of existing rent-restricted residential developments to preserve and extend the duration of rent restrictions.

Implementation: As regulatory agreements expire, Neighborhood and Economic Development staff will encourage the owners of existing rent-restricted projects that were financed with Mortgage Revenue Bonds to refinance the bonds through the City's Mortgage Revenue Bond program in order to extend the term of rent restrictions.

Financing: Mortgage Revenue Bonds (MRBs) and other available funds. Note: In addition to MRBs, other subsidies may need to be provided, since most of the existing projects were developed prior to the current affordability requirement to serve very low-income households.

Time Frame: Continuing effort as rent restrictions expire. City staff will meet with owners at least one year prior to the expiration of restrictions.

Strategy 7.5 Work with Alameda County Housing Authority to obtain Section 8 Vouchers for tenants who are displaced from rent-restricted residential developments that are at-risk of converting to market rate.

Policy 7.5.1. Working in conjunction with Alameda County Public Housing Authority, establish procedures to provide Section 8 Vouchers to tenants displaced from projects converting to market rate rents and to residents of projects that are being preserved for long-term affordability.

Implementation: Neighborhood and Economic Development staff will encourage ACPHA staff to make Section 8 Vouchers available to these populations.

Financing: Federal Section 8 Program

Time Frame: Continuing effort; as projects are converted.